



October 30, 1990

RECEIVED

OCT 30 1990

COMMERCE, CONSUMER AND
MONETARY AFFAIRS SUBCOMMITTEE

Honorable Doug Barnard, Jr.
Chairman, Subcommittee on Commerce,
Consumer, and Monetary Affairs
Committee on Government Operations
Washington, D.C. 20515-6144

Dear Mr. Chairman:

Secretary Mosbacher has asked that I respond to your October 16 letter requesting that we release to the public certain of the data on exports to Iraq that I sent to you October 10. You also requested that we supply the Subcommittee with as much cumulative data as possible without identifying export license applicants.

The data I sent on October 10 listed all license applications for exports to Iraq for the period commencing October 1986. I sent you additional license data October 24, covering all applications from January 1985 forward. My transmittals noted that the information supplied is subject to the confidentiality provisions set forth in section 12(c) of the Export Administration Act of 1979, as amended.

Your October 16 letter requests that this Department, if concerned about the release of proprietary information, prepare and release a "sanitized" version of the lists, omitting the names of vendors, but including the names of consignees/end-users, end-use and the ECCN (commodity control number). All of this information is covered by the confidentiality provisions of section 12(c). Even with the names of vendors deleted, the remaining information could not lawfully be released to the public without a national interest determination in accordance with section 12(c). I have consulted with relevant Administration officials, and they concur in the judgment that national interest considerations do not warrant such disclosure.

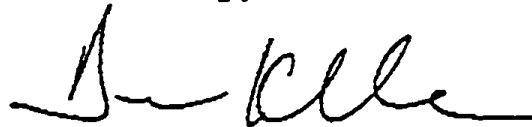
Given the mass of data in question, there is no reliable basis for judging that information gleaned from the public disclosure you propose might not damage United States business interests. Even if such damage did not, in fact, result, such wholesale disclosure could harm achievement of one of the purposes of section 12(c), which is to give our exporters confidence that their cooperation with U.S. Government export documentation requirements does not risk disclosure of their legitimate business transactions, whether to competitors or to the persons with other agendas.

The Export Administration Act has had strong confidentiality safeguards for years, and the Congress made them even stronger in 1979. The Executive Branch and the Congressional Committees concerned have a good record of faithfully observing these safeguards.

Your October 16 letter also requests that we supply certain cumulative data concerning these exports. It may be possible to provide some cumulative data, and this Department is working with other relevant agencies toward this end. We want to ensure that any such cumulative data, which we understand would be made available to the public, would jeopardize neither business confidentiality nor United States foreign policy or security interests. We are working to complete this review promptly.

Should you or your Subcommittee staff have any questions, please contact Ralph Nurnberger, Director of Congressional Affairs, at (202) 377-0097.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Dennis Kloske', with a stylized, cursive script.

Dennis Kloske